

## NEW YORK HERALD.

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EDITOR AND PROPRIETOR.

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## AMUSEMENTS THIS EVENING.

BROADWAY THEATRE, Broadway near Broome street.—MERRY.

WOOD'S THEATRE, Broadway, opposite the St. Nicholas Hotel.—THE ELVES—THE FOOL OF THE FAMILY.

GEORGE CHRISTY'S—OLD SCHOOL OF MINISTERS, BAZAAR, MUSICAL GLEE, &amp;c. Fifth Avenue Opera House, Nos. 2 and 4 West Twenty-fourth street.—PETER PETER, OR THE MAN ABOUT TOWN.

TOMMY PATSON'S OPERA HOUSE, 201 Bowery—STREET DANCING, BULLDOG, &amp;c.—HOOGLAND, THE FORT.

SAN FRANCISCO MINSTRELS, 85 Broadway, opposite Metropolitan Hotel.—STREET DANCING, &amp;c.—BELLINGTON, OR THE TWO MOUNTAINS.

BRYANT'S MINSTRELS, Mechanic's Hall, 472 Broadway.—NASSAU CORONATION, BULLDOG, &amp;c.—THE LIVE LINE.

ROOLEY'S OPERA HOUSE, Broadway.—STREET DANCING, BULLDOG, &amp;c.—HOOGLAND, THE FORT.

BROOKLYN ACADEMY OF MUSIC.—CONCERT BY THE BROOKLYN SOCIETY OF YALE COLLEGE.

BROOKLYN ATHLETIC.—THE ALLEGRIAN VOCALISTS AND BELL BROTHERS.

DODWORTH HALL, 806 Broadway.—MR. HENRY BYRON'S GRAND CONCERT.

IRVING HALL, Irving place.—PROFESSOR COMINGO GALLIANO'S GRAND CONCERT.

CLINTON HALL, Astor place.—SAM CORBEN'S ENTERTAINMENT.

COOPER INSTITUTE, Astor place.—UNION SUNDAY SCHOOL GRAND MAY DAY FESTIVAL.

NEW YORK MUSEUM OF ANATOMY, 618 Broadway.—OPEN FROM 10 A. M. TO 10 P. M.

## TRIPLE SHEET.

New York, Tuesday, May 22, 1866.

## TO ADVERTISERS.

Advertisements to insure a proper classification should be brought in before half-past eight o'clock in the evening.

## THE NEWS.

## EUROPE.

The steamship Cuba, from Queenstown on the 13th of May, reached Halifax yesterday afternoon on her voyage to Boston. Her news is seven days later, and of a highly important character.

The financial fever which agitated the London Stock Exchange in such an unhealthy manner for a few weeks before had culminated in a most disastrous, unprecedented money panic, which produced, in twenty-four hours, failure and suspension involving over eighteen millions of pounds sterling, an almost total suspension of business in the great centres of commerce, a "boundless" distrust in the public mind, the suspension of the Bank of England Charter act, and an advance of the rate of interest to ten per cent. The houses of Overend, Gurney &amp; Company, Sir Morton Peto and others were closed, and contractors and speculators went "by the board" on all sides, from the 9th to the 12th of May. Scenes of excitement almost tumultuous took place in Lombard street. At the latest moment no tallies were spoken of in Liverpool, and the name of a house well known in the American trade was "freely" mentioned.

The Bank of England raised its rate of discount to nine per cent on the 11th of May, and on the 12th instant advanced it to ten per cent. The bullion in the Bank of England decreased to £233,000 during the week. Consols closed in London on the 13th of May at 96½ a 96½. There was nothing doing in American securities on the 11th instant, the distrust which existed in financial circles checking operations. United States five twentys were (nominally) at 60 a 65. There was a general improvement in all descriptions of securities on the 12th instant, and the five-twentys were at 64 a 65.

The German question was regarded as on the very point of war, although hopes of a Congress were still entertained in some quarters. Prussia had massed her army on the frontier, Austria had called out "every soldier," Italy was most energetic in her war preparations, and Russia had mobilized her army, Turkey was about to take the same step, and Russia is reported as moving a portion of her forces. Napoleon delivered a most significant speech at Auxerre, in which he said "detested" the treaty of 1814. The words were regarded as a "signal" for war. An attempt had been made to assassinate Count Bismarck in Berlin.

The United States Minister in Vienna had protested against the march of Austrian volunteers for Mexico. Some of the newly raised companies were disbanded in consequence. Others had entered the Austrian army. The Liverpool cotton market recovered from a decline, which existed during five days, on the 12th of May, and was firmer at an advance of one-half of a penny. Breadstuffs were quiet and firmer. Provisions dull and downward.

## THE SPANISH FLEET AT CALLAO.

By the arrival yesterday morning of the steamer Arizona, from Aspinwall on the 15th inst., important intelligence has been received from the seat of war in the south Pacific. The Spanish fleet, under Admiral Nuñez, on its way to bombard the city of Callao, Peru, was badly beaten by the shore batteries in the harbor, the vessels shattered and Nuñez himself wounded. The fleet, according to the accounts of our correspondents, reinforced by the frigate Almansa, raised the blockade at Valparaiso on the 14th of April and steamed for Callao. The American squadron, under Commodore Rodgers, followed the next day, for the purpose of protecting neutral property in case it should be the intention of the Spanish Admiral to bombard that port. On the 25th of April the fleet found itself lying off the harbor of Callao.

The first intelligence of this movement received by the Peruvians at Callao was by the English mail steamer on the same day that the dreaded visitors arrived. The great alarm caused, but it subsided as it became certain that the Spaniards did not meditate an attack that day. On the next day, however, formal notice was given the city that the Spanish fleet was then to operate against it and that four days were allowed for the removal of non-combatants and foreigners. The greatest activity was then manifested for the removal of the private property of citizens.

But the defenses of Callao were quite formidable, and an attempt was determined upon to beat off the Spaniards. The Peruvians evidently dreaded the heavy weight of metal that the Spanish fleet could throw at them, and looked forward to the issue as doubtful. But they went manfully to work, throwing up earthworks and preparing for the combat. A system of telegraphing was extended to all the batteries and torpedo boats were held in readiness for use if available.

The last of May being Friday the attack was postponed, and on the 6th the grand fleet of strength commenced from the harbor. Batteries, the fire being returned by the Peruvians, the Villa de Madrid and Blanca, on the northern side, and the Numancia, Resolución and Almansa on the south. The Villa de Madrid and Berenguela were so badly damaged early in the fight that they were obliged to withdraw to San Lorenzo, and they were afterwards followed by the Numancia and the rest of the fleet, more or less damaged.

The fight lasted till four o'clock in the afternoon, then terminated by the withdrawal of the Spanish fleet. Sixty Peruvians are reported killed and one hundred and twenty wounded. Señor Gálvez, the Secretary of War, was killed. The news of the Spaniards is not known, but it is supposed to have been heavy. It is rumored that Admiral Nuñez is severely wounded. After going out the fleet resumed their old position, and commenced repairing. The future movements of the defeated fleet are not known; but it is presumed, in view of the near approach of the Huacocha and Independencia, added to this formidable disaster, that its early return to Spain will be effected, if possible.

## CONGRESS.

On the 21st yesterday, after considerable debate in

favor of and against the consideration of the President's veto message returning the bill for the abolition of the Corado, the question was made the special order for next Tuesday. The Fortification bill was passed. Mr. Sherman's bill for the funding of the national debt was made the special order for to-day. The House resolution for an investigation into the affairs of the Freedmen's Bureau was tabled.

In the House, besides a great deal of unimportant business, a resolution was adopted appointing a committee to investigate the action of the Freedmen's Bureau. The bill authorizing the appointment and payment of servants at the Executive Mansion was passed. The consideration of the Tax bill was then resumed. Evening sessions will hereafter be devoted exclusively to the Tax bill.

## THE CITY.

A conflagration—perhaps one of the largest that has occurred in New York for many years—took place about midnight, and at the time of our going to press all efforts at its extinction have proved futile. The fire broke out at fifty minutes past eleven in the Academy of Music, corner of Fourteenth street and Irving place, and owing to the light character of that building the flames speedily enveloped it and laid it in ruins, spreading thence to the New York Medical University and adjoining buildings. The fire, unchecked by the strenuous efforts of the firemen and aided by a strong wind blowing from all sides, held complete mastery and extended into Fifteenth street and across Third Avenue. In a short time after the breaking out of the flames the ceiling of the Academy fell in with a tremendous crash, and a volume of flame of immense magnitude burst forth, setting fire to the Church of the Redemption in Fourteenth street. At half-past one this morning the entire block facing on Fourteenth street was completely destroyed and the flames were rapidly spreading. The foreman of Engine Company No. 5, as well as several others, were missing after the falling of the walls, and doubtless fell victims to the flames. The Dutch Reformed church in Fifteenth street was also in flames, and though every effort was made to prevent its total destruction, it was without avail. As closely as can be estimated the actual loss of property up to half-past two A. M. could not fall short of \$1,000,000.

The Board of Aldermen yesterday received resolutions requesting the Comptroller to submit to the Board a detailed statement of all piers and ferries owned or leased by the city, directing the immediate removal of the railroad tracks laid in Broadway between Thirteenth and Fourteenth streets, authorizing and directing the Comptroller to procure a site whereupon to establish the office of the Department of Public Charities and Corrections, and requiring the Comptroller to submit to the Common Council all leases of city property hereafter made by that official. The Board adjourned to Monday afternoon next at two o'clock.

A meeting of the Aldermen committee appointed to discuss the expediency of removing all streets and avenues from Nassau street occupying more than eighteen inches of the sidewalk was held yesterday. Mr. Joseph Daly appeared as counsel for the occupants of many premises on Nassau street, and protested energetically against the adoption of the proposed measure. A further hearing of those interested was postponed until Monday next.

The Health Officer in charge of the hospital ships at the Lower Quarantine reports yesterday no admissions or deaths since last report, and that all the passengers on the Virginia, Illinois, Portsmouth and Saratoga are in good health. The Virginia came up to the city last evening from the Lower Quarantine.

The strike of the ship carpenters, caulkers and joiners still continues. A meeting of the house carpenters was held last evening at No. 287 Bowery, to raise funds in aid of the strikers. Several speeches were delivered. Mr. Griffin, of the Shipbuilders Association, stating that Mr. Wyman, a master builder, had threatened to shoot him with a revolver while making an explanation of a matter in relation to the strike, and that Mr. Wyman had been held in one thousand dollars bail before Judge Monro to answer the charge.

The Germans were engaged in their annual Whit Sunday festivities yesterday, and the parks in the upper part of the city on this occasion were crowded by visitors. Reports of their proceedings will be found in another column.

The revelations of the alleged Fenian wrangle, it appears, have not yet all come to light. Another investigating committee in Brooklyn are inquiring into the integrity of the late District Comptroller of Long Island, Pierce Sheehan. The rumors related at the ladies' fair are not forthcoming. Head Centres Stephens will receive an oration at the Brooklyn Academy of Music on Thursday evening.

The pupils of the colored grammar school No. 1, at 135 Mulberry street, gave an exhibition yesterday, in which they acquitted themselves admirably. Some of the most prominent colored gentlemen of the city are graduates of this institution.

Last evening Mr. C. G. Hutchison, of Kansas, in the Cooper Institute, read to the "New York Association for the Advancement of Science" a very interesting paper on the subject of practical experiments in planting and the cultivation of forest, fruit and ornamental trees in prairie and government lands, and urged the necessity of planting young timber trees to supply the annual demand of the growing timber in the regions of the Union in which it most abounds.

The crew of the ship Cutticator have commenced a civil action for damages against the captain of that vessel in the Marine Court. It is alleged that they were horribly abused by the first officer of the ship during a voyage of fifty days from Liverpool to this port. The first officer is not to be found, however, and they claim that the captain encouraged him in his atrocities. One man was so badly beaten that he threw himself overboard, and others were knocked off the yards and struck over the head with hatchets. The captain was arrested and held to bail.

Judge McCune, of the Superior Court, was engaged yesterday in trying the case of Joseph T. Martin vs. William A. Farnsworth, in which the plaintiff sued to recover the value of a tugboat alleged to have been lost through the carelessness of the defendant. Damages are laid at \$15,000. The case is still on.

George Gladwin, one of the convicts recently pardoned by Governor Fenton, sent a letter to the Herald on Saturday, offering to disclose the hiding place of some bonds stolen at Boston, in August last. He confesses to being the man who abstracted bonds from the St. Nicholas Hotel and forged a check on H. Brownbridge in New Haven. He is now under arrest for carrying counterfeit currency on his person. His reasons for making this disclosure are that he wishes to obtain the reward offered, \$5,000, and to vent a little spite on some one connected with him. He was pardoned out of Sing Sing on condition of restoring the lost property, but suspecting foul play on the part of the officials who secured his pardon he escaped from them without giving them the desired information.

On Sunday a man named Lewis H. Gardner and six others were entering the ship Fort Fifth street, East River, in a sailboat, when their boat exploded and they were precipitated into the water. They were all rescued except Gardner, who sunk before assistance could reach him, and was drowned. His body was subsequently recovered by grappling, and conveyed to his late residence, 147 Goerck street.

The body of Elias H. Techeor, who was drowned on the night of the 22d instant, by falling overboard from a schooner lying at the foot of Livingston street, East River, was discovered yesterday in the same dock where he was drowned.

James P. Walker, a politician in the Nineteenth Ward, and John H. Wright, an officer of the police, were required to give bail yesterday to answer a charge preferred against them of obtaining money under false pretences.

The stock market opened steadily, became strong, and closed unsettled yesterday. Governments were neglected, but steady. Gold was kept steady by government sales at 130½ till near the close of business, when it rose to 133, and afterwards receded to 132½ a 133. The firmness and buoyancy in the gold market exerted considerable influence in commercial circles, the market being generally firm, though rather quiet. Foreign merchandise was held at full prices, and in some cases ruled higher. Domestic produce was generally firmer, cotton, petroleum, provisions, &amp;c., being decidedly in the seller's favor.

## MISCELLANEOUS.

Our San Francisco correspondence gives interesting details of affairs in Mexico. The fight between Corona and the garrison of Matamoros was a very brilliant victory for the latter. A squad of American volunteers were in Corona's ranks and did a stupendous feat in the engagement. Without delay Corona immediately attacked another co-operating expedition under Landa, and completely routed it. He is now master of the position in Sinaloa. The heavy import duties and forced loans still continue. Duties on single cargoes of merchandise from Europe in the month of April

have amounted to from \$100,000 to \$150,000. Origin, the opponent of Juarez, proposes to enter Mexico from California. A letter of General Brimont, one of the French commanders, is published stating that he believes the cause is by no means popular and the relations with the United States are threatening. He therefore intends to take a leave of absence with no expectation of returning.

Our news from Venezuela is to the 7th instant. Arrangements had been made to settle all American claims against the government by a joint commission. General Falcon has assumed the Presidency.

We have news from Japan, dated at Yokohama, to the 18th of March, nineteen days later. The question of the civic status of emigrant Chinese was being discussed in the Municipal Council. Native Japanese soldiers, to the number of two thousand five hundred men, were to be brigaded to the French garrison, French and English, for a grand field day exhibition near Yokohama. A seaman of the French navy was killed in the streets by some Japanese whom he had insulted. The winter season terminated in heavy rains, with stormy weather in the harbor. The silk market was inactive, the native traders demanding very high prices. Tanned goods sold so as to be laid down in London at about sixteen and a half pence per pound. There was a large quantity of inferior tobacco on hand.

Eighty-seven cases of arms were seized at Erie, Pa. on Saturday night, belonging to the Fenian Society in this city, and shipped to the Head Centre at Erie. The few Fenians who had remained at Eastport disappeared on Saturday night with some of their boats which were attached for debt. The Treasury Department has been notified that the Collector at Rouse's Point, N. Y., seized 1,700 rifles last week, which were supposed to have been intended for the arming of the Fenians.

The tornado at Rochester on Sunday committed more damage than was at first supposed. The loss may be estimated at tens of thousands of dollars. Hallstones, an inch in diameter, covered the ground.

A German was killed at a picnic near Newark, N. J., yesterday, by blows with a mallet. Three persons were arrested.

A large portion of the tunnel on the Mountjoy branch of the Pennsylvania Railroad fell in yesterday. No one was injured.

The railroad bridges between Dalton, Ga., and Chattanooga, Tenn., have been washed away.

General Howard, the Commissioner of the Freedmen's Bureau, has issued a circular forbidding investments in the planting interest with citizens by officers or agents of the Bureau.

The Battle at Callao—Spanish Barbarity and Seward's Diplomatic Duplicité.

Spanish barbarity on the South Pacific coast is only equalled by Spanish ignorance and imbecility. The bombardment of Valparaiso was inhuman and treacherous; the attack on the formidable batteries at Callao was simply suicidal. The unvarnished success of the Spaniards at Valparaiso excited only the contempt of civilized nations; their unequalled and total defeat at Callao will be hailed by the same nations as a well merited punishment for their inhumanity.

The full details which we publish from our several correspondents are of absorbing interest. The Spanish Admiral, Nuñez, raised the blockade of Valparaiso on April 14, and steamed for Callao with the intention of bombarding that city. But, as will be seen by the account which we publish, no bombardment took place. The Spanish Admiral soon found that he had "come to be eaten instead of eat."

The formidable batteries of the Peruvians proved too much for the Spanish fleet. In a fight of five hours duration, maintained with great vigor, the several vessels of the Spaniards were disabled, the Villa de Madrid and Berenguela being pierced through and through, the heavy iron plating of the boasted Numancia being perforated, and the Spanish Admiral badly wounded. One Peruvian battery was silenced and another accidentally blown up. There is yet another act of this drama to be played. The Spanish fleet, disabled and short of ammunition, powerless for offensive operations, must now either seek the safety of a neutral port or meet in open combat the formidable Peruvian iron-clads Huascar and Independencia, which are doubtless already in the Pacific Ocean. The result of such an encounter will be, without doubt, the annihilation of the disabled Spaniards.

But whether the Peruvian and Spanish vessels meet or not, the war against the allied republics is at an end. The Spaniards have been ignominiously defeated and are powerless for further operations. They will meet with no sympathy in this country. Spain no longer commands the respect of civilized people. Once she was an enterprising and chivalric nation, but within the last century has grown more and more debased, until she has come to be ranked only with barbarous and piratical nations. She no longer commands the respect even of her own agents and officers, and Admiral Nuñez, while blindly obeying his infamous orders to bombard Valparaiso and Callao, expressed his abhorrence of the mode in which the war was being carried on.

But if we condemn the barbarity of Spain, what shall be said of the not less disgraceful attitude in which this country has been placed upon this question by our Secretary of State?

This country was and is the real arbiter in the Spanish-Chilean difficulties, as she is in all disputes between foreign aggressive Powers against the republics of this continent. The United States is naturally the guardian of her smaller republican neighbors. The Monroe doctrine is but the iteration of this idea; and until lately that principle was with our people hardly less sacred than the constitution. Mr. Seward has brought it into contempt by his double dealing and duplicity, and particularly by his failure to enforce it by intervention in the affairs of the allied republics. He promised enough, but performed nothing, when a word from him to the Spanish Minister, spoken with official earnestness, would have long since settled the whole affair. But, instead of speaking that word when it would effect something, he went to San Domingo and St. Thomas, to talk with Baer and Santa Anna about the duty of this country as protector of the infant republics of the continent in the same sense that a great fortress protects its outward buttresses; and then, returning, he, by his inaction, left this people in the disgraceful attitude of a garrison of a main fortress abandoning the smaller garrisons of its approaches to fall into the hands of a mutual enemy. Mr. Seward has acted with great duplicity and very unlike a statesman in this matter. At the very moment that Spain was preparing to bombard a defenceless city he went to Havana and publicly acknowledged the blessings of Heaven on the degenerate Spanish nation and the perpetuation of its dominions on this continent. He has ever since been called "the greatest statesman of the age" by the Spanish, whose praise is worse than half scandal; it is positively damning to an official of republican principles. He makes this country falsely appear as the ally of Spain, and the South American republics, some of which he refused to recognize, and all of which he criminally and against the principles of this people and government refused to aid, really

look upon us as the only ally Spain has had in these disgraceful affairs. Some display of manliness on the part of Kilgastick and Rodgers in the Valparaiso affair won for us a slight respect; but these officers were mere agents, and Mr. Seward, and Mr. Seward alone, is responsible for the inaction of our fleet, and it is he alone who has brought contempt upon this country.

## Europe and the United States in a Financial Point of View.

The financial condition of Europe lately has been much disturbed and continued so up to the latest dates. The announcement of heavy failures had caused great excitement, and all the large and controlling moneyed establishments had taken measures to protect themselves from a drain of specie. The Bank of England had raised the rate of discount from seven to eight, then to nine, and finally to ten per cent in the space of forty-eight hours, the banks of Frankfurt and Holland to six per cent, and other great central moneyed institutions throughout Europe were taking similar precautionary measures, while foreign exchanges were advancing everywhere. There is more than one cause for this state of things; but the chief cause is, undoubtedly, the war cloud that overhangs the continent. The London Times attributes it in a great measure to overtrading, and says that "relief can only be looked for by a sudden contraction." Still it is evident that the warlike attitude of the two great German Powers and the general feeling of uneasiness and uncertainty as to the chances of a European war have much to do with the financial situation. We see the effect of this state of things here. An extraordinary demand for specie is made on this country. Last week there was shipped to Europe little less than nine millions of dollars—a sum larger than ever was transmitted before within one week.

Now, while Europe is thus disturbed, and the great moneyed institutions of England and the Continent have to resort to extreme measures to protect themselves and keep specie at home, we can ship the enormous sum of nine millions in one week without feeling it very sensibly. We do not say we could ship this or any approximate amount every week without serious inconvenience, nor will there be any necessity for doing so; but it is clear we are in a position to do more in this respect than any other nation. We are in a situation to become the great moneyed Power of the world, if we only know it and would lay down a system in accordance with the fact. We are and shall be subject to disturbances and fluctuations, as all other nations are, from overtrading and speculations; but these are only ripples on the surface, and soon pass away. Our vast resources and enormous productions, both of the precious metals and the materials of prime necessity, place us in a position that neither England nor any other nation occupies. In fact we have grown above those disturbing contingencies that used to bring serious disasters and that now create trouble in Europe. A shipment of nine millions of gold in one week, in former times—at such a time, for example, as the financial troubles of 1837—would have created the greatest disturbance. Hundreds of commercial houses and banks would have felt a shock, and widespread trouble might have been the consequence. Now, however, we can part with such a vast amount of specie scarcely feeling it, and still have an available reserve of the largest amount for any contingency. A certain class of timid alarmists look with astonishment at this state of things and continue to predict disasters that never come. These people cannot realize our extraordinary development and situation. As our almost limitless resources become better known our means and credit will rise higher. We hardly know them ourselves yet; even our public men have had such an imperfect conception of them that they have blundered strangely in their calculations and legislation. A country that can raise an ordinary revenue, without loans, of five hundred millions of dollars, can have no fear about its credit or the payment of its debt. Our debt, which would sink almost any other nation, though nearly all contracted within four years, need not give us any uneasiness. We can not only pay the interest without feeling it much, but we can pay the principal within the lifetime of one generation. The cotton crop alone amounted last year to six or seven times the yearly production of the precious metals, great and valuable as these productions were, and cotton is equivalent to gold, if not better, in the exchanges of the world. What is to hinder us, with such resources, from becoming the financial centre of the world?

The Treasury Department has almost inseparably and from the necessity of circumstances drifted into a system similar to that of the Bank of England in operating upon the money market and foreign exchange. It will be well to establish a permanent system of this character. Let us have the government legal tenders as the only and universal currency, like the Bank of England notes in Great Britain. Let there be an ample specie reserve always on hand in the Treasury or in some other legalized national depository, which can be used to give security and to regulate exchange; then we shall commence to be what we ought to be—the regulator of the financial operations of the world. New York will take the place of London. The rate of exchange would be brought down gradually, and without a high protective tariff or contraction of the currency, which some of our radical contemporaries demand as the universal panacea, we should soon find specie abundant enough. All we want with a tariff is for an ample revenue; the industry of the country can take care of itself, and that will help to keep the coffers of the Treasury sufficiently filled with gold. We want no increase of the currency, but one that is uniform, based on the credit of the government, a legal tender, and one that the people can have perfect confidence in. With such a comprehensive system established we need not trouble ourselves about foreign specie, payments or protective tariffs. We shall come to specie payments as soon as it will be healthful to do so, and a revenue tariff will give at the same time sufficient protection and keep the Treasury chest supplied with gold.

PATRONS THEATRES.—The Barnum Managers' Association recently sent on its man Stuart, of the Winter Garden, to Washington for the purpose of getting relief from the payment of taxes on their theatres. Barnum's man Stuart had an interview with the committee of Congress, and put in a plea for relief in forma pauperis. He stated that the theatres which he represented, and which "do not advertise in the New York Herald," were not doing a remunerative business, and therefore could not afford to pay the tax of three per cent on their incomes. The newspapers in this city and all over the country pay a tax of three per cent on all their advertising, and we have not heard of one that asked to be relieved from paying it. We paid last year a tax of fifty-two thousand dollars—a thousand dollars per week—one half of which was for advertising, and we did not complain. Every newspaper in the country paid in proportion to its advertising business, and not one of them sent a man to Washington to beg off the responsibility to the government. Barnum's Association proposed to the committee that the theatres should only be taxed on their net profits. If this proposition was acceded to the Revenue Department, according to their agent's statement, would not receive a very heavy sum; for as their profits amount to nothing the tax would be nil. If the firm of Barnum, Stuart, Wheatley &amp; Co. cannot keep a profitable business going why don't they shut up? They are only occupying so much ground that might be employed by people who can afford to pay the taxes without grumbling. Theatres which are reduced to a condition of pauperism are of no value, either to the public or the public treasury.

The Freedmen's Bureau—Slavery Retained in the South by the Old Puritans Revived.

The moral sense of the people of the North has been shocked by the developments following the investigations of General Steedman in regard to the working of the Freedmen's Bureau in the South. Our despatches from Washington furnish rumors in relation to the action of the government in the premises—the removal of certain officials in the Bureau, and the probabilities of the resignation of General Howard, the Chief Commissioner. As to the former report, there is no doubt the government will not promptly; and as to the latter, the good sense of General Howard will point out to him the propriety of washing his hands of such a corrupt concern as the Freedmen's Bureau has proved to be. The Commissioner has the reputation of being a kind, honest and humane man. He is opposed to frauds and corruption in any shape. His conscience, therefore, must revolt at the gross peccadillo and crimes his subordinates have practised and would continue to practice were it not for the interference of the strong arm of the general government. General Howard, out of self-respect, ought to resign. This is the best thing he can do for his own reputation. But it is painful to contemplate what will become of the poor negroes, whose sufferings are now so acute, when they shall lose the tender guardianship of so compassionate a friend as General Howard. Yet we believe they can rely with as much confidence for care and kindness upon those who were once their masters as they can upon those who now rule them and command their services by virtue of the authority of the Freedmen's Bureau. They cannot be much worse off, after all, than they now are and be considered human beings entitled to humane treatment.

This whole system of a Freedmen's Bureau is a relic of the past. It is an heirloom descending from the old Puritans of New England to the new Puritans of the present day. It comes from the times when Quakers were hung and when that matchless Puritanical robber, Captain Miles Standish, made raids upon the poor Indians, stole their lands, destroyed their dwellings and crops, and forced the maltreated savages into a bondage worse than that of Africa in slavery in any period of the world's history. As the Puritans of 1620 were the harsh and relentless taskmasters of that day, with the "untutored savage" as their victim, so the poor freedman of 1866 is the victim of the descendants of that cunning, fanatical, tyrannical and cruel sect. There are thousands of Miles Standishes in the South who have taken plantations, either from their rightful owners or from the government, and are now having them cultivated by the forced and non-regulated labor of the unlettered freedman. These white taskmasters and negro drivers comprise the crop of Puritans of the present generation. They have been mostly raised in New England, many have gone South as chaplains in the regiments from that section, while others have been sent, either under State or national authority, as special commissioners, school superintendents for the blacks, negro civilizing officers and in other capacities involving no particular danger to their precious persons. The true New England soldier is both liberal and brave, fearless and self-sacrificing, high minded, honorable and conscientious. You will find no such men as these driving negroes upon plantations that have been stolen, nor tending of the services and the bodies of freedmen to the highest bidder. All that disreputable work is left to the cunning, hypocritical, whining scamps who roll up the whites of their eyes in holy horror before New England audiences about the sin of slavery, the brutality of slave owners and the miserable condition of the bondsmen; and yet no sooner are the shackles knocked from the limbs of the slave and he becomes a freedman than they seize that moment to force him back into a bondage more hideous than ever. Thus have the New England Puritans of 1866 emulated the sordid example of their forefathers in 1620 and restored slavery in the South in a more detestable form than ever. Surely General Howard should be excused from keeping such company any longer than he can help.

THE LOTTERY POLICY SQUABBLE.—There has been an unusual commotion of late among the lottery managers, policy dealers and agents, which is opening up the inside of this business in a very peculiar manner. There are three States—Missouri, Kentucky and Delaware—which continue to charter lotteries and allow the business to be conducted, while several others have passed laws prohibiting even the sale of lottery tickets. This legislation against lotteries is based on high moral, religious and social grounds. It being a species of gambling and therefore injurious to public morals, several of the State Legislatures declared it illegal. But a new phase has been given to this business by a quarrel between Ben Wood, Head Centre of the lottery managers, and Marcus Tullius Cicero Stanley, Head Centre of one of the lesser lottery parties. Wood and Stanley for a long time manipulated these lotteries together, and by the aid of a clause in the Internal Revenue law the trade was protected to a certain extent in all the States. It is reported that four or five million

dollars worth of tickets were annually sold, out of which the managers made a profit of about one million of dollars. A difficulty finally arose between Head Centre Wood and Head Centre Stanley about the division of the profits, out of which has grown a very nice fight, which promises to furnish the public some very interesting developments of the mode of conducting this business. Congress has stepped in and made some change in the law in reference to lotteries, but just how and what has been done is not clear. In the meantime Head Centres Wood and Stanley have been busy publishing cards against each other, which develop, in a personal point of view, one of the richest chapters of the day. We intend to collect and at our leisure publish the cards of both sides together, and let the public judge of the merits of this contest over the lottery spoils. If the interests of the public can only be benefited and subverted by these exposures and quarrels then there may be something to rejoice over, but as it now stands it is only important as far as it is amusing.

## The Two Muddles.—The Fenian and the Mexican.

The quarrel among the Fenian factions in this country, instead of being arranged and settled by the arrival of Head Centre Stephen, has only gone on from bad to worse. The whole affair is now in a more inexplicable plight than ever before. On the top of it all comes the report that one of the principal officials at Union square has been furnishing the British government with regular monthly reports of all the movements and plans of the Fenian organization. This new phase of Fenianism must either bring the whole affair into contempt or force the leaders into the execution of some desperate movement to regain their prestige and keep up the supply of funds in the shape of contributions. But while the Irish republic is thus going down and bids fair to soon be forgotten, the public is furnished with a new excitement in regard to the Mexican republic, which is just assuming considerable importance. The quarrel among the Mexicans indicates that the republicans of that country have been infused with new life and are in a fair way of doing something for themselves and accomplishing important results, if they do not allow their personal feuds to destroy their cause.

Since the positive stand taken by the administration in behalf of the principle of the Monroe doctrine, and the promise of Napoleon to withdraw the French troops from Mexico, the imperial cause in that country has been plunged into about as great a muddle as that of the Fenians. The Mexican letters which we published yesterday, describing the inside scene of Maximilian's government, lead to this conclusion. We have no doubt but that our correspondent made out as good a case for the Austrian Prince as it was possible under the circumstances, but it is anything but cheering to the Mexican empire. If that is the best picture that can be drawn of that side, then the facade of the Fenians is only the counterpart of the failure of imperialism in Mexico. The withholding European troops and supplies from Maximilian is equivalent to the complete downfall of what there is left of Maximilian's government. The decision of Attorney General Speed, declaring that guns and ammunition could be sent from this country to Mexico, has opened the way for the liberals to obtain the large supply of improved weapons of warfare which had been purchased and were in San Francisco waiting for that decree of the Attorney General. That supply has, no doubt, been received at those Mexican ports on the Pacific coast which the liberals have retained under their control through all the difficulties of this Mexican muddle. With these weapons in the hands of the Juarez party, the imperialists will find a more troublesome task than that of contending with the old fashioned war material that has heretofore been brought against them.

In addition to these important facts, our Washington advices apprise us that Mr. Campbell, United States Minister to the Mexican republic, appointed by President Johnson, and recently confirmed by the Senate, is now at Washington, receiving his instructions from our government prior to his departure for his new field of duties. With the known positive views of Mr. Campbell in regard to upholding the principles of the Monroe doctrine and the policy of the present administration in the same direction, with the unanimous sentiment of the American people in support of that time-honored principle, we are inclined to look upon the appearance of Mr. Campbell at the national capital at this particular time as being of more than ordinary importance. It probably means business of no minor character. The arrival of Santa Anna, and the extra activity of the Mexicans in this country, as well as the friends of the republic, all point to the same conclusion. From all of these circumstances we draw the inference that measures are now being inaugurated that will not only settle this Mexican muddle, but vindicate the time-honored Monroe doctrine and place the republic of Mexico once more upon its feet, leaving to Maximilian and his empire the only alternative of passing into obscurity along with the Fenian or Irish republic.

THE PARADOX OF OUR NAVY.—In the construction of vessels, steam machinery and iron-clads the American navy occupies a prominent position and will bear comparison with that of any other in the world; but there is great room for improvement in its personnel. Here the example of England and France might be followed with advantage. We gave in our columns yesterday a valuable history of the navies of the great maritime nations, from which a profitable lesson may be learned. Our navy is young, and in comparison with its age it is not behind that of older nations. We have learned more during the last four years of war than in the three-quarters of a century which preceded them, in the way of constructing a navy. That we have improved the opportunity is admitted. Five years ago we had no navy that could compare with that of the maritime powers of Europe. To-day we have no rival upon the ocean. In this, as well as in many other respects, our people have proved their adaptability to circumstances as they arise. While we were at peace we contented ourselves with a standing army of fourteen thousand men as a maximum and a navy of a dozen or two armed vessels; but when the exigencies of war came upon us we put a million of men into the field and covered the coast, with monitors, iron-clads and frigates that have become the envy and the models of the world. It is easier to build vessels, however, than